

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

Caption in Compliance with D.N.J. LBR 9004-2(c)

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In re:

SHAPES/ARCH HOLDINGS L.L.C., *et al.*,

Debtors.

Case No. 08-14631

(Jointly Administered)

Chapter 11

Judge: Gloria M. Burns

**CONSENT ORDER RESOLVING THE CLAIM OF
LUMBERMAN ASSOCIATES
(Claim number 66)**

The relief set forth on the following pages, numbered two (2) through four (4), is hereby
ORDERED.

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Debtors: SHAPES/ARCH HOLDINGS L.L.C., *et al.*
Case No. 08-14631
Caption of Order: CONSENT ORDER RESOLVING THE CLAIM OF LUMBERMAN
ASSOCIATES (Claim number 66)

WHEREAS, on March 16, 2008, the Debtors filed voluntary petitions for relief under Chapter 11 of title 11 of the United States Code (the “Bankruptcy Code”);

WHEREAS, the cases are being jointly administered pursuant to this Court’s Order dated March 18, 2008;

WHEREAS, on the Petition Date, the Debtors filed their Statements of Financial Affairs, Schedules of Assets and Liabilities and Schedule of Executory Contracts and Unexpired Leases (the “Bankruptcy Schedules”);

WHEREAS, on the Petition Date, the Debtor had scheduled Lumbermen Associates (“Lumbermen”) as having an unsecured claim of \$58,639.48 (the “Scheduled Claim”);

WHEREAS, Lumbermen filed proof of claim number 66 in the amount of \$58,639.48, proof of claim number 182 in the amount of \$68,588.41 and proof of claim number 405 in the amount of \$68,588.41 (collectively, the “Proofs of Claim”);

WHEREAS, claims numbered 182 and 405 were expunged pursuant to an order entered by this Court on July 30, 2008 (Doc. No. 574);

WHEREAS, by Order dated July 24, 2008 (Doc. No. 561), the Bankruptcy Court confirmed the Debtors’ Third Amended Joint Plan of Reorganization, (the “Plan”);

WHEREAS, pursuant to Sections 4.5, 5.2 and 5.3 of the Plan and Article IV of the Plan Administration Agreement (an exhibit to the Plan) (Doc. No. 376), the Trust, by its Trustee, Steven D. Sass, was empowered to, among other things, review, file objections to and resolve unsecured claims; and

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WHEREAS, the Trust has reviewed the surviving Lumbermen claim, information provided by Lumbermen and the Debtors' books and records as they pertain to Lumbermen, and has engaged in good faith, arms' length negotiations with Lumbermen.

NOW, THEREFORE, in consideration of the foregoing premises and of the mutual agreements and covenants hereinafter set forth, the parties hereto intending to be legally bound hereby, agree as follows:

1. In full and final settlement of Lumbermen's claims against the Debtors,

Lumbermen hereby waives any and all claims against the Debtors, their estates and the Trust, with the exception of proof of claim number 66, which shall be increased to \$68,558.41 and allowed as a general unsecured claim against the Debtors in that amount and treated in Class 10 under the Plan.
2. This Agreement shall be binding upon and shall inure to the benefit of each of the parties hereto and their respective successors and assigns and any successor of any of them.
3. No modification or waiver of, or with respect to, any provision of this Agreement, or consent to any departure from any of the terms or conditions hereof, shall in any event be effective unless it shall be in writing and signed by the parties hereto.
4. Whenever the context may require, any pronoun used herein shall include the corresponding masculine, feminine or neuter forms and the singular form of nouns and pronouns shall include the plural and vice versa.
5. This Agreement has been negotiated and entered into in the interest of settlement and compromise only, without an admission, liability or fault on the part of any party.

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6. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute but one and the same agreement.

A facsimile signature shall be sufficient to bind the parties as if it were an original signature.

7. Each party expressly represents that it has entered freely and voluntarily into this Agreement after careful review and the opportunity to consult with counsel. Except as otherwise expressly set forth herein, no representations have been made by either party with respect to any of the matters addressed in this Agreement or with respect to the Chapter 11 case.

8. The terms, conditions and provisions of this Agreement shall be governed by, and construed in accordance with, the United States Bankruptcy Code and to the extent applicable, the internal laws of the State of New Jersey, without giving consideration to any other state's conflict of law provisions.

Dated: New York, New York
December 23, 2008

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New York, New York 10022

By: /s/ Carrie E. Mitchell
Carrie E. Mitchell

Lumberman Associates, Inc.

By: /s/ Brian R. Cassell
Brian R. Cassell
CFO of Lumberman Associates, Inc.